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U.S. DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-62-2017)

Foreign-Trade Zone (FTZ) 127 – West Columbia, South Carolina
Notification of Proposed Production Activity
BGM America, Inc.
Subzone 127C
(Sailboats, Cabin Cruiser Powerboats, Outboard Motor Boats)
Marion, South Carolina

The Richland-Lexington Airport District, grantee of FTZ 127, submitted a notification of proposed production activity to the FTZ Board on behalf of BGM America, Inc. (BGM), located in Marion, South Carolina. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on September 27, 2017.

The BGM facility is located within Subzone 127C. The facility is used for the production of sailboats, cabin cruiser powerboats, and outboard motor boats. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt BGM from customs duty payments on the foreign-status materials/components used in export production (estimated 5-20 percent of production). On its domestic sales, for the foreign-status materials/components noted below, BGM would be able to choose the duty rates during customs entry procedures that apply to sailboats, cabin cruiser powerboats with inboard engines, and outboard motorboats (duty rates range from 1%-1.5%). BGM would be

able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: primers; adhesive acrylic; surface cleaning kits; liquid adhesives; spray adhesives; polyvinyl chloride profiles; plastic pipes and fittings; plastic flexible hoses; plastic tubes; plastic hoses; plastic pipes; plastic elbow fittings; wall and ceiling non-skid molding kits with adhesive backing; pavement marking tape; decal tape rolls; velcro; acrylic vessel covers; engine room foam (non-textile); plastic straps (non-textile); lamination and edge banding (non-textile); paper reinforced laminate; lavatories; plastic crates; plastic bags; plastic carboys and bottles; plastic waste bins; plastic dinnerware sets; plastic cups and serving ware; plastic kitchenware; plastic window screens; plastic doors; plastic container doors; plastic screens; plastic and woven fabric blinds; plastic boxes with lids; plastic door and cabinetry knobs; stern tube epoxy; fiberglass reinforced plastic deck parts and components; plastic wrap; plastic bushings; rubber profiles; rubber hoses with fittings; rubber hose harnesses ; rubber non-skid mats; silicone gaskets and seals; rubber door stops; rubber noise dampening components; wood moldings; hardwood marine plywood with high pressure laminate outer covering; hardwood plywood veneer panels; hardwood marine plywood with hardwood veneer outer plywood; densified wood blocks; composite wood blocks; marine wood cabinetry; log books; binders and folders; watertight labels; self-adhesive labels; coated paper gaskets and washer seals; manuals; decal transfers; woven nylon strips; rubber thread and cord bungee cords; synthetic fiber braided cord cut to length; cotton netting; twine, cordage and rope safety

ladders; twine and cordage rope; nylon woven ribbons; marine vinyl composed of polyvinyl chloride, polyester and cotton (coated with over 70 percent polyvinyl chloride); rubberized textile adhesive tape; textile felt seals and gaskets; synthetic fiber curtains; synthetic fiber textile blinds; synthetic fiber table covers; synthetic fiber textile wheel covers; sails of synthetic fibers; cotton dust cloths; polyester web fabric straps; abrasive deck surface coating; mirrors; nonwoven fiberglass mats; woven fiberglass with fibers; fiberglass in bulk; stainless steel threaded pipes; stainless steel support posts; stainless steel anchoring mechanisms - wire, ropes and cables; iron and nonalloy steel anchoring chains; steel nails; steel screw hooks; self-tapping steel wood screws; steel flat screws; steel bolts; steel screws; steel metal disc fasteners ; steel nuts; steel finish nuts; steel spacer washers; steel cotters and cotter pins; steel nuts with flat head; iron and steel stoves; steel and iron stove parts and accessories - cooking chambers, surface panels, door assemblies, panels, windows and insulation; iron and steel sheaths for air heaters; stainless steel sinks; cast iron centerboards; steel ladders; steel flush rings; brass inserts; threaded brass reducers; copper and stainless steel pin cables; copper and stainless steel barrel bolts; brass plumbing fittings; copper hooks; aluminum tubes; aluminum pipe fittings and inserts; aluminum profiles for door and window frames; aluminum door steps; aluminum fuel tanks; aluminum blind rivets; aluminum screens; aluminum plates and castings; lead sealed in bags, used as weight; zinc thrusters; metal drill heads; metal hand tools; stainless steel kitchen utensils; base metal locks; base metal spring bolts; iron and steel interior hinges; brass hinges; iron and steel straps and buckles; iron and steel mountings, fittings, and door closers; iron and steel handles; iron and steel doorstops, chain door fasteners, door pulls and kick plates; iron

and steel lid supports; iron and steel knobs and arms; iron and steel racks; iron and steel staples; marine propulsion engines; cable control gear boxes; iron and steel mountings for flaps; aluminum table legs; pumps; water pumps; air conditioner drain pumps; plastic pump fittings; inflator pumps; blowers; parts of ducting and relays that are parts of a marine air conditioning system; refrigerators; refrigerator door pivots; water purifying filters; oil and fuel filters for internal combustion engines; electric winches; winches; anchors; cast iron cover plates; sandblast guns; controls and thrusters; rudders; pressure valves; showerhead and hose valves; fresh water inlet systems; bushings; pulleys; couplings; metal glands with rubber inserts; ship propellers; electric motors (not exceeding 37.5 W); linear actuators; diesel generators; converters; regulators; inverters; tilting light signals; wiper arms; microwave ovens; water heaters; speakers; TV antenna splitters; remote controls; antennas; alarms; breakers; fuses; battery breakers; insulators; relay timers; switches; cable TV splitters; fuse holders; terminals; electrical splices; electrical couplings; junction boxes; motor control panels and controllers; switch frame out-boards; cover boxes for switches; diodes; solar panels; copper cables; coaxial cables; battery switches; HDMI cables; copper conductors; insulated plastic fittings; insulated plastic cable ducts; steering wheels; steering chains; compasses; navigation instruments; stencils; gauges; remote chain meters; electrical meters; bubble testers; water tank gauge beam parts; upholstered seats and accessories; sliding seat support system; wood furniture; plastic engine panel covers; wood and metal furniture parts; mattresses; cotton seat cushions and pillows; LED light ropes; indicator lights; wall lamps; wood touch up markers; crayons; pencil leads; and, pastels (duty rates range from free to 8.5%).

The request indicates that solar panels are subject to antidumping/countervailing duty (AD/CVD) orders and hardwood plywood is subject to an AD/CVD investigation when imported from certain countries. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). The applicant also indicates that the following foreign-sourced materials/components will be admitted to the subzone in privileged foreign status, thereby precluding inverted tariff benefits on such items (where applicable): plastic and woven fabric blinds; woven nylon strips; rubber thread and cord bungee cords; synthetic fiber braided cord cut to length; cotton netting; twine, cordage and rope safety ladders; twine and cordage rope; nylon woven ribbons; marine vinyl composed of polyvinyl chloride, polyester and cotton (coated with over 70 percent polyvinyl chloride); rubberized textile adhesive tape; textile felt seals & gaskets; synthetic fiber curtains; synthetic fiber textile blinds; synthetic fiber table covers; synthetic fiber textile wheel covers; sails of synthetic fibers; cotton dust cloths; polyester web fabric straps; nonwoven fiberglass mats; woven fiberglass with fibers; fiberglass in bulk; mattresses; and, cotton seat cushions and pillows.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: September 28, 2017

Andrew McGilvray
Executive Secretary

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